

## **INDIANA DEPARTMENT OF INSURANCE**

# **NEWS RELEASE**

**FOR RELEASE**

**November 20, 2013**

### **Insurance Commissioner Responds to President Obama's Request for State Commissioners of Insurance to Reinstate Cancelled Insurance Policies**

Indiana Department of Insurance ("IDOI") Commissioner Stephen W. Robertson announced today that the State of Indiana will not order insurance companies operating in Indiana to reinstate cancelled policies, as recently suggested by President Obama.

"President Obama has asked that Indiana compel insurance companies who choose to do business in our state to reinstate carefully phased-out policies at a moment's notice," said Robertson. "Such action would seriously destabilize Indiana's insurance market and create logistical chaos, fueling even more uncertainty for Hoosiers. Furthermore, we do not believe that IDOI has the authority under Indiana law to fulfill the President's untimely request."

The Affordable Care Act provided an "early renewal option" that effectively enables existing plans to delay new federal mandates for about another year so that individuals who are currently enrolled in those plans could transition more smoothly and budget accordingly for extra expenses.

Insurers that chose to offer an early renewal option to their existing customers worked with IDOI earlier this year in a timely and responsible manner to price their insurance products appropriately to comply with Indiana's financial regulatory standards and general market stabilization functions.

IDOI planned and worked with insurance companies for months to get the proper rates and policy contract language approved and transferred to the federal government by its July 31, 2013 deadline so the health insurance plans would be available effective January 1, 2014.

Not every insurance carrier offered early renewal as an option to their existing customers, and some insurance carriers that sold existing products will no longer sell in Indiana's insurance market in 2014.

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